PENNINGTON ENGINEERING COMPANY,
Petitioner,

vs.

HOUDE ENGINEERING CORPORATION,
Respondent.

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In the Supreme Court of the United States

OCTOBER TERM, 1943.

No. . . . . .

PENNINGTON ENGINEERING COMPANY,
Petitioner,

vs.

HOUDE ENGINEERING CORPORATION,
Respondent.

PETITION FOR THE WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT.

To the Honorable, The Chief Justice and Associate Justices of the Supreme Court of the United States:

Your petitioner, Pennington Engineering Company, respectfully prays for a writ of certiorari to the Circuit Court of Appeals for the Second Circuit, to review a final judgment entered by that court on June 12, 1943 (R. 1247).

JURISDICTION.

Jurisdiction is conferred by U. S. Code, Title 28, Sec. 347 and U. S. Code, Title 28, Sec. 350, the writ being applied for "within three months."

SUMMARY AND SHORT STATEMENT OF THE MATTERS INVOLVED.

The purpose of this petition is to bring before this Court for review a decision of the Circuit Court of Appeals for the Second Circuit, affirming a final judgment of Judge Knight in the District Court for the Western District of New York, in a suit by petitioner against the respondent.

By this suit petitioner sought to recover (a) for respondent's infringement of petitioner's patent to Pennington No. 2,009,677 granted July 30, 1935, for shock absorber for motor vehicles and (b) for respondent's unlawful use of petitioner's patented shock absorber and other unpatented matters following confidential disclosure thereof to respondent. The patent in suit (R. 753) is a continuation in part of an earlier filed patent No. 2,009,676 (R. 777) and has an effective filing date of November 19, 1928. Only claims 27, 28 and 37 of patent 2,009,677 are relied upon, and for the purpose of this petition only claim 37 need be considered.

Following trial, Judge Knight, on January 21, 1941, filed an opinion (R. 984) finding the patent claims in suit valid and infringed and that plaintiff was entitled to recover for breach of confidence. However, on March 5, 1941, Judge Knight granted respondent's motion for reopening and, following reopening and rehearing, Judge Knight, on December 16, 1941, filed an opinion (R. 1187) in which he placed a very narrow construction upon the Pennington claims in suit and completely reversed his former rulings that the claims were infringed and that petitioner was entitled to recover for breach of confidence. Thereupon was entered the final judgment from which appeal was taken by petitioner to the Circuit Court of Appeals.

The appeal was heard by Circuit Judges Learned Hand, Chase and Frank and was submitted February 4, 1943. On May 21, 1943, the court filed majority and dissenting opinions. In the majority opinion Judges Chase and Frank joined in affirming the judgment of the District Court and in the dissenting opinion Judge Hand found the claims infringed and valid, characterizing the Pennington invention as "revolutionary." He did not comment upon the breach of confidence issue. On June 10, 1943 the Circuit Court of Appeals denied a petition for rehearing, without opinion.

As will later be more fully pointed out, petitioner considers that the judgment and the majority opinion of the

Court of Appeals are in radical conflict with the established law controlling the construction of patents and the determination of infringement and with the established law respecting unauthorized use of confidential matters and, with respect to crucial matters of fact, are contrary to the evidence and without substantial support therein.

Proceedings in the Trial Court.

Petitioner's reasons (hereinafter stated) for the grant of the writ rest in essential part upon the fact that the majority opinion of the Court of Appeals improperly set aside an important finding of fact by the District Court relative to the nature of the patented invention before the court; and accordingly the consideration by this Court of certain of the proceedings in the courts below and of petitioner's grounds for the grant of the writ requires some understanding of petitioner's patented device, of respondent's accused device and of the relevant prior art. Hence these matters will be briefly summarized.

Petitioner's patented subject matter relates to vane-type hydraulic shock absorbers for automobiles. Shock absorbers are friction devices interposed between the wheel axle and the spring-suspended body of the car and serve to resist unduly rapid and wide movement of the car body and suspension springs when the springs are suddenly compressed as the wheels encounter bumps in the road surface. The hydraulic absorber comprises a cylindrical working chamber (usually rigidly attached to the spring-supported car body or chassis frame—see Fig. 1, R. 778) and piston means movably mounted in the chamber and operatively connected by crank and link to the wheel axle. In the present case the piston takes the form of a vane extending radially from a hub or shaft part and is mounted to swing about the axis of the cylindrical working chamber. Some designers, like Pennington, have employed a single vane while others, like Houde, have used a duplicate or

double vane. In both cases the working chamber structure must provide two abutment surfaces extending from the cylindrical peripheral wall of the chamber to points closely adjacent the hub part of the vane, and the vane swings back and forth between these abutments. In this movement the vane forces the working liquid (e.g. oil) through a restricted passage leading from one side to the other of the vane. The frictional resistance to this liquid flow opposes (and regulates) the movement of the vane and of the axle and spring parts to which the vane shaft is connected and, in so doing, absorbs the road shocks by converting the energy of the shock into heat which in turn is dissipated to the surrounding atmosphere.

In the operation of these absorbers very high hydraulic pressures are generated, because the forces at times are large, and at the same time practical considerations dictate a moderate size and low cost for the instrument. To permit the building up of such pressures the absorber must be strong and the vane must have a highly accurate, close working fit in the working chamber. Also the supporting bearings of the vane must maintain this nice working fit without wear of the cooperating vane and casing surfaces because such wear would increase the clearance between the vane and casing, and leakage past the vane increases approximately as the cube of that clearance. It follows that it is vital to have a highly accurate axial alignment of the cooperating cylindrical surfaces of the vane and of the working chamber.

As for the prior art, the record shows that prior to Pennington's invention the hydraulic working chamber for the vane had usually consisted of a cup-shaped member, a plate for closing the mouth of the cup (so as to form a cylindrical chamber) and separately-formed hydraulic abutment means. The abutment means had to withstand the heavy hydraulic pressures of the device and the working chamber so made presented serious manufacturing diffi-

culties which beset the industry for many years. The prior art construction of respondent had its origin in the design by the Frenchman Houdaille shown in U. S. patent 1,087,017 (R. 817) and is well shown by Shultz patent 1,627,810. In the latter patent the abutment structure is shown in Fig. 6 (R. 907). The forming of this abutment part and of the cooperating casing part and the assembly of the abutment in the working chamber with the high degree of accuracy, the leak-proof joints and the low cost that are requisite, presented a very difficult problem of manufacture. The evidence adduced at trial shows that respondent and other prior art workers struggled for years with the problem. Judge Hand, in his dissenting opinion, states it thus: "Again and again it (respondent) tried in one way after another to fix separate abutments into the chamber; and again and again it failed. These were not the fumblings of a tyro, but the best skill of the leader in this particular branch of the industry. Besides these experiments the Patent Office was littered with other intermediate efforts, all equally unsuccessful." (R. 1245.)

Pennington, in 1928, found a complete solution of the problem in which he formed the walls of the working chamber in three parts (Fig. 1, parts 1, 2 and 3, R. 754) instead of two parts and made the abutment integral with the intermediate, peripheral wall member or part. Pennington chose to use the single-vane type of construction. A three-part working chamber structure had been *proposed* some eight years earlier in Sutton patent 1,341,395, a double vane construction (R. 1181), and, a little later, in Taylor patent 1,438,507, a single vane construction (R. 825), and respondent's witnesses testified (R. 342-343, 349, 350, 454) that they had "considered" the use of such an intermediate wall member as early as 1927, and in the period from 1927 to 1931 respondent made repeated unsuccessful efforts to produce such a three-part structure by molding or casting the intermediate part.

Vital defects in the proposals of Sutton, Taylor and respondent were lack of any proven way of forming the interrupted internal cylindrical surfaces of the intermediate member with the requisite accuracy, lack of any known means for securing the three casing parts fixedly together in axial alignment with the high degree of accuracy required, and lack of simple and effective means for recovering working liquid leaking through the multiple joints of the three part casing.

In 1927 respondent had contracted with the Ford Motor Company to supply absorbers for all Ford cars (R. 437). This enormously increased respondent's production and from 1927 to 1931 respondent was under correspondingly increased pressure to solve the problem in question.

On January 19, 1931 (at a time when respondent's last effort to solve the abutment problem was proving unsuccessful), four responsible members of respondent's organization came to Cleveland and received from petitioner a comprehensive and detailed disclosure of both (a) the Pennington shock absorber of the patent in suit and (b) petitioner's novel methods and devices for manufacturing it. The vehicles for this disclosure included a drawing of petitioner's (R. 805) and a specimen absorber (physical Exhibit 8). The disassembled parts of this specimen are shown in the top horizontal row of a photographic exhibit (R. 811). This disclosure on January 19 was made to enable respondent to consider whether it would purchase the Pennington invention and was made under conditions which rendered the disclosure confidential. Very soon (about 90 days) after the January, 1931, disclosure respondent, without the knowledge of petitioner, started manufacture of its accused shock absorbers, gradually converted its entire (and very large) production for original equipment purposes to the new construction, and only stopped such production when sued by petitioner, at the end of 1938. Stipulated specimens of the accused absorb-

ers are shown by three exhibit drawings (R. 802, 803, 804) and two of them are shown disassembled in the second and third horizontal rows of the photograph (R. 811).

At trial respondent in its defense strongly urged that the Pennington patented invention is limited to the single vane construction. This the petitioner strongly denied and the matter became a major issue to which the trial judge gave very close attention.

The trial judge discussed this issue and evidence bearing upon it in his opinion following the original trial (R. 991-992), and concluded "that the disclosures in the patent are sufficient to include the double vane construction." Following rehearing the trial judge made finding No. 18 (R. 1220) consistent with the above conclusion. It is this finding which the Court of Appeals has set aside.

The trial judge recognized that the invention of the claims in suit is a combination of mechanical elements, and he found the claims in suit not anticipated (R. 1191-2).

The trial judge read unexpressed limitations into the claims and found the claims, so construed, not infringed.

Opinions of the Circuit Court Judges.

The majority opinion of the Circuit Court, in agreement with the trial judge, finds the combination of the claims in suit not anticipated (R. 1238).

The finding of no anticipation is, of course, a finding that the combination constituting the invention is novel, yet the majority opinion of the Circuit Court gives no indication that the majority judges made any definite determination of the scope and importance of the novelty and the corresponding range of equivalents such as are essential to a proper determination of the question of infringement.

Also, notwithstanding that the Pennington invention consists in a novel combination of elements, the majority opinion of the Circuit Court justifies its conclusion of non-infringement by pointing out various single elements of

the combination in the prior art (R. 1242-1243). For example, the majority opinion says (R. 1243) that while respondent's ring member with integral abutments "was a fair equivalent of Pennington's abutment-bearing middle casing member," it was old "to use a casing member with integral abutments in such hydraulic shock absorbers. Sutton showed that in his patent No. 1,341,395."

Again, the majority opinion, following the lead of the trial court, but for different reasons, reads into the claims in suit limitations, not expressed therein, to the specific dowel and cap screw securing means shown in the patent.

Also, as a basis and justification for reading such unexpressed limitations into the claims, the majority opinion finds (R. 1242-1243) that the Pennington invention is limited to the single-vane type of construction; and, as justification for this latter conclusion, the majority opinion further finds, in effect, that the problem of axial alignment (admittedly solved by Pennington) was not present in respondent's accused structures. The majority opinion summarizes these findings in the statement that the Pennington patented device and the accused shock absorbers "differ widely in the respects which are decisive in this suit" and concludes, as a matter of law: "That does away with the substantial sameness of means and result which must be proved to make out the infringement of a new combination of old elements."

Finally, the majority opinion concludes that: "As the defendant did not infringe, the cause of action based on the allegations as to the confidential submission of the invention was not made out."

QUESTIONS PRESENTED.

The questions presented are:

1. Whether, as petitioner avers, the majority judges of the Circuit Court of Appeals erred by construing the claims in suit in a manner in conflict with the established applicable law.

2. More specifically, whether the said majority judges, as petitioner avers, erred by failing to determine definitely the scope and importance of Pennington's admittedly novel contribution to the industry as a necessary basis for determination of the range of equivalents to be accorded the claims in suit.

3. Whether, as petitioner avers, the majority judges in considering the Pennington invention and respondent's accused construction erred in disregarding the clear objective evidence of the prior art history showing, first, the long and unsuccessful struggle of the skilled prior art workers to solve the problem admittedly solved by Pennington and, second, the four years of unsuccessful effort by respondent to produce a solution of the specific character that it finally adopted (accused construction) after Pennington had shown it how.

4. Whether, as petitioner avers, the majority judges acted erroneously and in conflict with established law in justifying respondent's accused construction as non-infringing by piecing together its admittedly novel combination of elements by selecting individual elements thereof from different prior art sources.

5. Whether the majority judges, as petitioner avers, in justifying the respondent's accused construction as deducible (without invention) from the prior art, erred in disregarding the fact that respondent applied for and secured Peo Reissue Patent No. 19,631 (R. 872) covering that construction.

6. Whether, as petitioner avers, the majority judges erred in finding the Pennington invention limited to the single-vane type of construction and thereby setting aside formal finding of fact No. 18 of the District Court.

7. Whether, as petitioner avers, the finding by the majority judges that the axial alignment problem admittedly solved by Pennington was not present in respondent's accused construction, is erroneous and contrary to the evidence and without support therein.

8. The ultimate, inclusive question whether the finding by the majority judges of non-infringement was, as petitioner avers, erroneous and contrary to the applicable law and the evidence in the case.

9. Whether the ruling of the majority judges on petitioner's claim for breach of confidence was, as petitioner avers, erroneous and in crucial conflict with the applicable law.

REASONS RELIED ON FOR THE ALLOWANCE OF THE WRIT.

The discretionary power of this Court to grant the writ of certiorari is invoked upon the following grounds within the contemplation of Rule 38 of the rules of this Court:

1. That the majority judges of the Circuit Court of Appeals in passing upon the issue of infringement read into the claims in suit limitations which are not required by the nature of the invention claimed or by the state of the prior art and which are contrary to the intent of the patentee expressed in the patent; and they thereby construed the claims in a manner probably in conflict with fundamentally important decisions of this Court, as well as numerous decisions of the various Circuit Courts of Appeals, and particularly the decisions of this Court in *Eibel Process Co.*, 261 U. S. 45, 63; *Smith v. Snow*, 294 U. S. 1, 13-14, and *Symington Co. v. National Malleable Castings*

Co., 250 U. S. 383, 385; and *Imhaeuser v. Buerk*, 101 U. S. 647, 660.

2. That the limitation, by the majority judges of the Circuit Court of Appeals, of the claims in suit to the single-vane type of construction is contrary to the evidence in the case and without substantial support therein, sets aside the District Court's finding No. 18 without justification and in breach of Rule 52(a) of the Federal Rules of Civil Procedure, and thereby so far departs from the accepted and usual course of judicial proceedings as to call for an exercise of this Court's power of supervision.

3. That the ruling by the majority judges of the Circuit Court of Appeals that "As the defendant did not infringe, the cause of action based on the allegations as to the confidential submission of the invention was not made out" is in conflict with the decisions of this Court, particularly *Becher v. Contoure Laboratories*, 279 U. S. 388, 391; *DuPont v. Masland*, 244 U. S. 100, 102; *Board of Trade v. Christie Grain & Stock Co.*, 198 U. S. 236, 250, 251.

PRAYER.

Wherefore your petitioner respectfully prays that the writ of certiorari be issued to the United States Court of Appeals for the Second Circuit to the end that this cause be reviewed by this Court, that the judgment of the Circuit Court of Appeals be reversed; and that petitioner have such other and further relief as may be proper.

PENNINGTON ENGINEERING COMPANY,
By LUTHER DAY,
RAY S. GEHR,
MAX D. FARMER,
Counsel for Petitioner.

In the Supreme Court of the United States

OCTOBER TERM, 1943.

No.....

PENNINGTON ENGINEERING COMPANY,
Petitioner,

vs.

HOUDE ENGINEERING CORPORATION,
Respondent.

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

OPINIONS OF COURTS BELOW.

The first opinion of the District Court, following trial is found at page 984 of the record and its second opinion, on rehearing, at page 1187 of the record. Both are reported in 43 Fed. Supp. 698.

The findings of fact and conclusions of law of the District Court are found at pages 1201 and 1219 of the record.

The majority and dissenting opinions of the Circuit Court of Appeals are found at page 1234 of the record and are reported in 53 U. S. P. Q. 110.

JURISDICTION.

Jurisdiction is conferred by U. S. Code, Title 28, Sec. 347 and U. S. Code, Title 28, Sec. 350, the writ being applied for "within three months."

STATEMENT OF THE CASE.

The petition itself presents the more essential facts necessary to an understanding of the reasons relied upon for the allowance of the writ. However, to facilitate pos-

sible necessary consideration of the invention of the claims in suit, one of the claims is here applied to the structure, using the reference characters of sheet 1 of the patent drawing (R. 754), as follows:

37. In a hydraulic shock absorber, the combination of a piston (6) comprising a cylindrical hub (6^b) and a vane (6^a) extending therefrom; and a casing structure in which the piston is mounted comprising a part (1) having a flat surface disposed transversely to the axis of the piston hub to engage one side of the piston vane, a second part (3) having a flat surface correspondingly disposed to engage the other side of the piston vane, a third part (2) disposed between said first and second parts and having flat lateral surfaces engaging the said flat surfaces of the two other casing parts and also having a curved surface (2^a) arranged to engage the cylindrical surface of the piston hub and another curved surface (2^b) arranged to engage the outer peripheral surface of the said vane, means for securing the three said casing parts together in fixed relation (cap screws 4,4; dowel bolts 5,5 and dowel holes in parts 1, 2, 3 whose accurately formed and placed female surfaces cooperate with bolts 5,5 to accurately align parts 1, 2, 3 with their cylindrical piston-engaging surfaces concentric with the piston axis), and means (cup 9 and other casing parts) forming a liquid reservoir space (C) disposed to receive liquid leaking outward through the joints between the flat surfaces of the three said casing parts.

It may be helpful, too, to point out that the patent in suit discloses three different specific forms of construction embodying the invention of claims 27, 28 and 37. On sheet 1 of the patent drawings, the casing structure is circular and the single vane piston is eccentrically arranged to permit a vane of maximum length for the over-all diameter. The dowel securing members (35) serve the added function of mounting bolts. The construction on sheet 2 of the patent drawings differs from that on sheet 1 chiefly in having

the main valve devices (with which we are not concerned in this case) mounted in the rear casing part instead of in the front part. The instrument on sheet 3 is externally sector shaped instead of circular, the dowel members (54^a) are in the form of pins instead of bolts and the main valve devices are mounted in the piston and its shaft. The claims relied upon apply to all three constructions. At the trial, sheet 1 was chiefly referred to as a matter of convenience. The specimen shock absorber (Ex. 8), shown in the top row of the photograph on page 811 of the record is circular in form as on sheet 1 of the patent but the dowel members are in the form of pins as on sheet 3.

The passages of the patent specification more particularly pertinent to the invention of claims 27, 28 and 37 are as follows:

Page 1, column 1, line 21, object (c);

Page 1, column 2, line 49 to page 3, column 1, line 19; and

Page 3, column 2, line 17 to line 43, describing construction;

Page 6, column 2, lines 32 to 41;

Page 7, column 1, line 37 to column 2, line 62, describing method and means of manufacture of the described construction to secure accuracy of form and of alignment of parts at low cost;

Page 14, column 1, lines 44 to 49, as to scope of invention.

SPECIFICATION OF ERRORS.

The statement in the petition under the heading "Questions Presented" may be taken as petitioner's specification of errors.

ARGUMENT.

At the outset, we direct attention to the unusual history of this case in the courts below.

In the District Court after full and lengthy trial and exhaustive argument the court found that the patent claims in suit were valid and infringed and also that the defendant unlawfully appropriated and used to its own advantage disclosures made to it in confidence by the plaintiff prior to the issuance of the patent. Yet upon supplemental petition by respondent and hearing thereon, the court reversed itself in almost every particular, reading extreme limitation into the claims, holding them not infringed and acquitting the defendant of the breach of confidence. And this striking reversal was based essentially upon the patent to Sutton No. 1,341,395 which, properly considered as evidence, is merely cumulative (over Taylor patent 1,438,507), admittedly does not anticipate and, furthermore, discloses a device wholly lacking in utility.

In the Circuit Court of Appeals the majority judges have affirmed the last position of the District Court and, on the other hand, the dissenting judge has characterized the prior art essentially relied upon by the trial judge and the majority judges of the Circuit Court of Appeals as a "futile suggestion," and the invention of the patent in suit as "revolutionary."

We turn now to the reasons assigned for the grant of the writ.

The First Reason.

The fundamental patent law controlling the construction of patent claims and the determination of infringement is clearly established in the decisions of this Court and the conforming decisions of the Circuit Courts of Appeals.

In *Eibel Process Co.*, 261 U. S. 45, 63, this Court said:

> "In administering the patent law the court first looks into the art to find what the real merit of the alleged discovery or invention is and whether it has advanced the art substantially. If it has done so, then the court is liberal in its construction of the patent to secure to the inventor the reward he deserves."

The majority judges of the Circuit Court of Appeals failed to follow this direction. In particular, while they recognized that the invention sought to be covered in the claims in suit, e.g. claim 37, is a combination of elements and that the combination is novel, their opinion makes no mention of the exceptionally clear and convincing evidence of the prior art showing a serious problem of long standing, numerous unsuccessful efforts of the skilled prior art workers (including respondent) to solve the problem and Pennington's successful solution of it. This purely objective evidence is the best possible evidence on "what the real merit of the alleged discovery or invention is and whether it has advanced the art substantially"; yet, as far as can be determined from their opinion which makes no mention of this evidence, the majority judges either disregarded it or failed to give it due weight. The exceptional nature of the evidence is indicated by Judge Hand's characterization in his dissenting opinion (R. 1244) and we therefore only note here the places in the record where the evidence is to be found, to-wit: a brief statement of the problem (R. 104-105); the predominant type of prior art construction from 1914 to 1931, illustrated by Houdaille patent 1,087,017 (R. 817) and Shultz patent 1,627,810 (R. 905); unsuccessful efforts by inventors outside respondent's organization represented by patents as follows: Taylor 1,438,507 (R. 825), Flentje 1,521,218 (R. 829), Johnson 1,578,319 (R. 836), Thayer 1,883,436 (R. 846), compare Thayer 1,936,695 (R. 897) lines 84 to 105, page 1 and lines 69 to 78, page 2; unsuccessful efforts by respondent's

skilled workers including: automatic machine tool for forming the abutment slots in the inner side wall of the cup part (Peo testimony R. 367), then, following the contract with Ford in 1927, the "fussy" caulking of the abutment joints (Fishleigh testimony R. 132-141 and drawing, R. 806), Houdaille patent 1,843,603 (page 2, column 1) showing effort to avoid caulking (R. 865); additional unsuccessful efforts (after 1927) by respondent shown in Ex. F (R. 913) including: Fig. 2 showing use of "joint pins" which failed for reasons stated by Peo (R. 427, 428), Fig. 3 showing separate abutments electrically welded in cup, Fig. 4 showing abutments integral with side wall but requiring unsuccessful "joint pins"; unsuccessful efforts of respondent, beginning in 1927, toward the accused ring wing type of construction including first proposal of idea in 1927 (R. 343, 349-350, 454), molded bakelite ring wing (R. 914) and Fox patent 1,909,943 (R. 882) which were unsuccessful because the bakelite parts could not be molded with required accuracy (R. 455), finally, just prior to the confidential disclosure of the Pennington invention, the zinc alloy die-cast ring wing model of Ex. N (R. 916) which failed because of both inaccuracy and destructive electrolytic action (R. 429, 430).

The majority judges failed in another respect to carry out the direction of the *Eibel* case. Although they characterize the invention as a "new combination of old elements" (R. 1244), they seem (quite properly) to recognize that the securing means element of claim 37 of Pennington performs a peculiar double function. To use their language (R. 1239), "He—(Pennington)—saw that what was needed was a method of assembly that would guide the parts into their ~~relative~~ proper position as they were put together," (i.e. effect their axial alignment) "and hold them there." Had the majority judges looked into the prior art as required by the direction of the *Eibel* case they would have found that it was broadly new to provide a three-part work-

ing chamber structure with such a double-function securing means, that the patentee was entitled to a correspondingly broad range of equivalents in the construction of claim 37 and that there was, therefore, no justification in the prior art for limiting the securing means of the claim to the specific form (dowel pins or bolts, and screws) shown and described in the patent.

Numerous decisions both of this Court and of the various circuit courts of appeals are to the same effect as the above quoted direction of the *Eibel* case. Examples are: in this Court, *Keystone Mfg. Co. v. Adams,* 151 U. S. 139, 144-145, *Smith v. Snow,* 294 U. S. 1, 14; in the second circuit, *Tompkins-Hawley-Fuller Co. v. Holden,* 273 F. 424, 430, *Fowler & Wolfe Mfg. Co. v. McCrum-Howell Co.,* 215 F. 905, 909-910 and *Schick Dry Shaver, Inc. v. R. H. Macy & Co., Inc.,* 111 F. (2d) 1018, 1022; in the first circuit, *Mossberg v. Nutter,* 135 F. 95, 99; in the sixth circuit, *Sun Ray Gas Corp. v. Bellows-Claude Neon Co.,* 49 F. (2d) 886, 888; in the ninth circuit, *Smith Cannery Machines Co. v. Seattle-Astoria Iron Works,* 261 F. 85, 88.

It is well settled law that when certain claims of a patent include an express limitation and other comparable claims do not do so the latter claims should not have those limitations read into them. *Smith v. Snow,* 294 U. S. 1, 13-14, and *Symington Co. v. National Malleable Castings Co.,* 250 U. S. 383, 385. To the same effect are *Lamson Consolidated Store Service Co. v. Hillman,* 123 F. 416, 419 (C. C. A. 7th) and *Wm. B. Scaife & Sons Co. v. Falls City Woolen Mills,* 209 F. 210, 214 (C. C. A. 6th). Here, in claim 37 in suit the securing means element of the combination is broadly defined while in claim 4 of the patent the same element is specifically limited to "a plurality of dowel members engaging the rear, front and intermediate casing parts"; and claims 6, 7, 8, 9 and 10 have similar limitations.

Therefore, when the majority judges of the Court of Appeals limit the securing means of claim 37 to the specific form illustrated in the patent they are in direct conflict with the above cited rulings of this Court. That they have so limited the claims in suit is shown by the statement (R. 1242): "Because of this difference in anchorage requirements the defendant did not use, or need to use, *the more elaborate combination of dowel bolts and cap screws which hold together the casing members of the plaintiff.*" (Emphasis added). It is evident from the opening sentences of Judge Hand's dissenting opinion (R. 1244) that he so construes the majority opinion.

In this connection it is to be borne in mind that claims are to be read in the light of the specification, not to restrict the invention to the precise structure disclosed, but to grasp the invention in order properly to measure the range of equivalents. *Flowers v. Magor Car Corp.*, 65 F. (2d) 657, 658 (C. C. A. 3).

The majority judges of the Circuit Court of Appeals clearly recognize that the Pennington invention is a combination of mechanical elements and that the combination is novel. Yet, in construing the claims, they have failed to conform to a fundamental principle of patent law relative to combination claims that was early established by this Court. In *Imhaeuser v. Buerk*, 101 U. S. 647, 660, the court said:

> "Where the thing patented is an entirety, consisting of a single device or combination of old elements incapable of division or separate use, the respondent cannot escape the charge of infringement by alleging or proving that a part of the entire invention is found in one prior patent, printed publication, or machine, and another part in another prior exhibit, and still another part in a third exhibit, and from the three or any greater number of such exhibits draw the conclusion that the patentee is not the original and first inventor of the patented improvement. *Bates v. Coe*, 98 U. S. 31, 48."

Accordingly, the majority judges are in direct conflict with the long-established authority of this Court when they undertake to limit the Pennington invention by reason of the fact that elements thereof are to be found in the prior art or, what amounts to the same thing, that the respondent's specific forms of those elements are to be found in the prior art. The most glaring example of this is the treatment in the majority opinion of Pennington's intermediate casing member with integral abutment and the corresponding "ring wing" part of the accused construction. The opinion (R. 1243) says: "Perhaps that ring was a fair equivalent of Pennington's abutment bearing middle casing member, but however that may be it was old to use a casing member with integral abutments in such hydraulic shock absorbers. Sutton showed that in his patent No. 1,341,395, granted May 25, 1920." Passing, for the moment, the vital error of fact in this statement, it is apparent that its purpose is to limit, if not destroy, the Pennington invention by finding the elements, as such, in the prior art, overlooking the fact that the gist of the invention is in the novel combination, and overlooking, too, the extraordinary objective evidence showing invention and advance of the art by Pennington.

The error of fact in the statement last quoted is that the Sutton device does not show "use" of the intermediate casing member because the device is wholly *useless* for any practical purpose, in that it lacks means for positioning and securing the three casing parts in fixed operative relation (axial alignment) to each other with the degree of accuracy admittedly essential.

Second Reason.

The majority opinion of the Circuit Court of Appeals undertakes to justify the limitation of the claims to Pennington's specific dowel devices upon the ground that his invention is essentially limited to the single vane type of

construction. *Their ruling of non-infringement rests essentially upon that proposition.*

The truth of this last statement is shown by several passages in the majority opinion. Thus, it is stated (R. 1235) that "the defendant has always used that type of piston (double vane) and did so in building the accused devices. That fact is of the greatest significance on the question of infringement as will later be seen."

Again, on the same page, referring to the Pennington invention, the majority opinion says: "He also had to face certain manufacturing difficulties which one making the double-vane piston type of the defendant did not encounter. * * * it is in the overcoming of them that the patentee displayed invention, if he did at all, and unless the defendant made use of those features there is no infringement." This last statement is iterated at the top of page 1237.

Finally comes the important statement, following the first full paragraph on page 1242, which definitely ties together the two limitations to the single vane and the dowel securing means.

This limitation of the Pennington invention to the single vane construction is clearly contrary to the evidence and, without justification, sets aside the District Court's finding No. 18 (R. 1220) in breach of Rule 52 F. R. C. P.

As to the evidence, it will be noted that the claims in suit contain no limitation, express or implied, to single vane construction. Nevertheless respondent's expert in testifying contended that plaintiff's invention is so limited. He could offer no reason based upon the inherent nature of the patented construction but contended (R. 533-535) that his position was sustained by the fact that the Pennington specification pointed out certain advantages flowing from an eccentric single vane construction. *Contra*, petitioner's expert testified that there is no essential connection between this latter feature and the subject matter

of the claims in suit and was able to support that proposition by the fact that the eccentric single vane feature is independently claimed in claim 11. The contention of respondent's expert was further weakened when he was interrogated by the trial judge (R. 557) and *conceded that Pennington's specific type of construction is applicable to the double vane instrument.* This was independently corroborated by Pennington's testimony under cross examination (R. 57) that petitioner, prior to the January 1931 meeting, had drawn up a double vane embodiment of its invention. Correspondingly, respondent's reissue patent to Peo, No. 19,631 (R. 872) shows conclusively that respondent's specific type of construction is applicable to both double vane and single vane constructions. Compare Figs. 11 and 14 (R. 875). Confronted with all of this evidence respondent's counsel in one of their briefs brought forth the assertion that the official actions by the examiner in charge of Pennington's application showed that he considered the invention limited to the single vane. This evidently was a desperate "shot in the dark" because the application record, when examined, established the exact reverse of respondent's assertion.

The trial judge summarized most of the foregoing evidence in his opinion of January 21, 1941 (R. 991-992), but did not include in his summary a further highly important item of evidence, to-wit: Respondent had struggled for many years prior to 1931 with the difficulties incident to the separate abutments of its prior construction, and following 1927, when it secured the very large Ford business, it was under especially heavy pressure to solve the problem and made a number of efforts which admittedly were unsuccessful. It was fresh from the last of these failures when on January 19, 1931, its experts received a full disclosure of the Pennington shock absorber construction and the Pennington production methods. Then, within approximately 90 days, respondent started commercial

production of the accused construction. The design by respondent of the accused model must have come promptly following the January meeting with Pennington, considering the time required for the designing of the new construction, the novel broaching tools and the necessary jigs and fixtures and for the making of these tools and devices. Considering all the facts, the conclusion is inescapable that respondent found in the Pennington *single vane* device the solution of the problem with which it had been for years unsuccessfully struggling in its *double vane* construction.

In the majority opinion of the Circuit Court of Appeals there is no reference to the evidence outlined above or to the formal finding of the District Court based upon it. We submit that if the majority judges gave this evidence and finding due consideration and intended to set the finding aside it was incumbent upon them under Rule 52 F. R. C. P. to show that the finding is "clearly erroneous." This they failed to do and their action, we submit, calls for the application of this Court's power of supervision.

The situation would be different if the distinction which the majority judges draw from the difference between the double vane and single vane designs were supported by any substantial evidence. But their distinction is based essentially upon the mere fact (well understood by engineers in this field) that the hydraulic forces are balanced with respect to the axis in the double vane type and unbalanced in the single vane type. This point was brought out by respondent's expert witness Brush (R. 528). He, however, made no such deduction from it as do the majority judges, for as an engineer he understood, what the majority judges overlooked, namely, the fact that in both the single vane and the double vane constructions there are unbalanced mechanical forces which are exteriorly applied to the casing members through the vane shaft and its bearings when road bumps are encountered, and the securing means must

therefore be rugged and strong in both cases. Furthermore there is no difficulty in either case in attaining the requisite *strength* of the main casing parts. The chief difficulty overcome by Pennington (and by Houde) was the production of securing means capable of *accurately positioning* the casing parts relative to each other.

We believe the majority judges might have reached a quite different conclusion had they more carefully considered the essential functions performed by the Pennington absorber and particularly by the *securing means* of the combination. Pennington's securing means are cap screws 4 and dowel devices which, on sheet 1 of the patent drawing, consist of dowel bolts (dowel pins instead of bolts are used in the sheet 3 construction) and holes in the three casing parts with dowel surfaces accurately formed to fit the dowel bolts snugly and accurately located in relation to the working axis of the instrument so that when the parts are assembled all three of said dowel surfaces are brought into accurate alignment and the three casing parts are secured together in fixed coaxial relation. The cap screws engage threads on the rear wall part and serve essentially to clamp the parts together in the direction of the axis of the instrument while the dowel bolts or pins, in addition to positioning the casing parts in axial alignment, serve essentially to secure the three casing parts against displacement either rotationally or laterally in relation to the axis. As has been stated, the double function (of the securing means) of (a) accurately positioning the casing parts in axial alignment and (b) there holding them was broadly new with Pennington.

Similarly, respondent's securing means consist of a threaded clamping ring and dowel devices comprising dowel surfaces formed, respectively, on the inner side of the rear casing member flange, the outer periphery of the intermediate ring wing and the outer periphery of the front casing member, all three of these surfaces being ac-

curately located relative to the working axis of the absorber, and the two peripheral surfaces having a dowel fit with the inner surface on the rear wall member so that when the three casing parts are assembled their three dowel surfaces are brought into accurate mutual alignment just as in the case of the dowel surfaces on petitioner's three casing parts, with the result that in both cases the interior cylindrical surfaces of the intermediate member of the casing are brought into accurate axial alignment with the shaft bearings of the two other casing members. The dowel devices of respondent also include two ordinary dowel pins fitting dowel holes in the three casing members and holding them against relative rotation.

Thus the novel double function of the Pennington securing means is performed in petitioner's and respondent's absorbers by similar parts that operate in substantially the same manner. That is, in both cases screw threaded means engaging the rear and front casing parts draw those two parts together and clamp the intermediate part between them, and dowel surfaces accurately preformed and located on each of the three casing parts serve, when the parts are assembled, to axially align those parts and hold them against relative displacement laterally of the axis.

The absorbers of both petitioner and respondent presented the very difficult problem of forming the intermediate casing part with a dowel surface accurately located in relation to a working axis determined by the shaft bearings formed on the entirely separate rear and front casing members. Pennington accomplished this by the use of an "assembly plug," as described in his patent (R. 763, second column), and respondent applied the identical principle of this device in what Peo termed a "very accurate and very costly arbor" (R. 393, last half). Obviously Peo's "arbor" was used to accurately position the ring wing in relation to the axis of the turning lathe (equivalent to

the working axis of the shock absorber in the concentric double vane construction) while the dowel surface was being accurately formed and located on the periphery of the ring wing. The exact concentricity thus secured of this peripheral (male) dowel surface with the interior cylindrical surfaces of the ring wing is quite as essential as is the exact location of Pennington's dowel hole surfaces in relation to the interior cylindrical surfaces of his intermediate casing part. We believe that the relationships pointed out in this paragraph were not understood by the majority judges. Indeed this is clear from a consideration of their discussion of the accused construction at the top of page 1243 of the record and in the first full paragraph of that page. Their comment shows that they thought the only requirement for the assembly of respondent's ring wing was that it should have an outer diameter to fit inside the flange of the cup member.

We submit, therefore, that the majority judges not only improperly set aside the abundantly supported finding of the District Court but put in its place, as the essential basis of their ruling of non-infringement, their own quite erroneous theory of the nature of the respondent's device.

Third Reason.

On page 1241 of the record the majority opinion of the Circuit Court states: "The application for the patent in suit was pending before the defendant was approached concerning the Pennington shock absorber and there is no claim that more was disclosed in confidence to the defendant than was included in the specifications in the application for that patent." And the opinion closes (R. 1244) with the statement: "As the defendant did not infringe, the cause of action based on the allegations as to the confidential submission of the invention was not made out. *Picard v. United Aircraft Corp.*, 128 F. (2d) 632; *Rosen-*

thal v. Celanese Corp. of America, decided May 4th, C. C. A. 2." These two quotations are the only statements in the majority opinion indicating the position of the majority judges relative to the issue of breach of confidence.

We must assume that the majority judges took account of the evidence showing that the confidential disclosure by Pennington to representatives of respondent included, in addition to the subject matter of the claims in suit, petitioner's methods of manufacture which were novel with petitioner. This novelty resided in the demonstration by Pennington that it was feasible to broach the interior surfaces of the intermediate casing member with the requisite degree of accuracy (contrary to the beliefs of the broaching experts consulted by Pennington in advance, R. 72) and also resided in the highly important "assembly plug" method of producing securing means for the three main casing parts capable of both accurately axially aligning those parts and fixedly securing them in such alignment.

We must assume also that the majority judges duly considered the testimony of respondent's chief witness Peo that the latter machined the interior surfaces of its ring wing by broaching, as in the Pennington method, and that it formed the aligning dowel surface on the periphery of the ring wing by the use of a "very accurate and very costly arbor" which operated on the same principle as Pennington's assembly plug and was the effective equivalent thereof (R. 393). We must also assume that the majority judges considered in this connection the fact that it is the facility with which the ring wing of respondent can be machined on its "arbor" that is referred to in respondent's Peo reissue application in urging patentability of the ring wing construction (R. 420, 421). See reissue claims 4, 5, 6 (R. 880).

Both of the above noted novel method features of petitioner which were disclosed in confidence to respondent are disclosed in the specification of the patent in suit but

they are not covered by the patent claims. When the majority judges ruled those claims not infringed, that ruling did not justify the further ruling quoted above from page 1244 of the record. Indeed, the latter ruling is in radical conflict with the established law that the creator of any novel and useful method or product is entitled to be protected in the use thereof as against others without license to whom it may be disclosed in confidence; and this is true whether or not the subject matter in question is patented or susceptible of being patented. *Becher v. Contoure Laboratories,* 279 U. S. 388, 391; *Dupont v. Masland,* 244 U. S. 100, 102; *Board of Trade v. Christie Grain & Stock Co.,* 198 U. S. 236, 250.

The majority opinion cites *Picard v. United Aircraft Corporation,* 128 F. (2d) 632, in support of its ruling. If the latter decision did support the ruling, then clearly it would be in conflict with the three decisions of this Court last quoted above; but we submit that the opinion in the *Picard* case (see page 637) is quite clearly in full accord with those decisions of this Court and does not support the ruling of the majority opinion.

The case of *Rosenthal v. Celanese Corporation of America,* now reported in 77 U. S. P. Q. 291, is readily distinguished from the facts of this case. Whereas in the *Rosenthal* case the patent showing the matter disclosed in confidence was applied for after the confidential disclosure, in this case the disclosure in the patent application preceded the confidential disclosure; and whereas in the *Rosenthal* case the fact of the confidential disclosure was in doubt, here the confidential disclosure of applicant's methods of manufacture is not questioned. The position of the District Court is shown by original finding 10 (R. 1204) and conclusions 5 and 6 (R. 1206) but its final position is represented by supplemental finding 14 (R. 1219), made on plaintiff's motion. The *Rosenthal* case lends no support to the ruling here.

We submit that the ruling of the majority opinion is in conflict with the applicable law and on this branch of the case, also, this Court should intervene. It is not too much to say that petitioner's novel broaching and aligning methods of manufacture confidentially disclosed to respondent are comparable in importance to the improved shock absorber construction itself; and the erroneous ruling by the Court of Appeals is correspondingly serious.

CONCLUSION.

In conclusion it is submitted that the majority opinion, in its rulings on both branches of this case, so seriously conflicts with the applicable law established by decisions of this Court and the various Circuit Courts of Appeals and is so far contrary to the evidence and the finding of the District Court erroneously set aside by the Circuit Court of Appeals as to clearly warrant the granting of this petition and the review by this Court of the judgment of the court below.

Respectfully submitted,

LUTHER DAY,
RAY S. GEHR,
MAX D. FARMER,
Counsel for Petitioner.

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IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1943

NO. 331

PENNINGTON ENGINEERING COMPANY,
Petitioner,

vs.

HOUDE ENGINEERING CORPORATION,
Respondent.

RESPONDENT'S REPLY TO PETITION FOR CERTIORARI.

CHARLES W. HILLS,
ALEXANDER C. MABEE,
Attorneys for Respondent.

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On page 2 of its petition, the petitioner states that "only claim 37 need be considered." Possibly the reason for petitioner's desire to limit consideration to claim 37, is based upon the fact that Judge Hand, in his dissenting opinion, stated that "dowels are not part of claim 37."

After enumerating several elements which enter into the claimed combination, claim 37 (Rec. p. 775) includes:—

> "means for securing the three said casing parts together in fixed relation."

The other claims which were before the Circuit Court of Appeals, were claims 27 and 28 (Rec. p. 774). The "dowels" which Judge Hand was talking about are not mentioned specifically in any of the claims that were before the Circuit Court of Appeals. However, in the Pennington structure it is his "dowels" that secure the three parts together in fixed relation.

Claim 27, just like claim 37, after enumerating several elements of the claimed combination, includes:—

> "means for securing the three said casing parts together."

Claim 28 likewise includes:—

> "means for securing the three said casing parts together."

We see no reason for making any distinction between claims 27, 28 and 37. They are all alike in that respect.

Throughout the pendency of this case, it has been the petitioner that has been trying to read the "dowels" into the case. It has been the petitioner-plaintiff that has continuously insisted that the "means for securing the three said casing parts together" are the "dowels", and, based upon that position, petitioner has contended that the provision of the "dowels" for that purpose, constituted an important feature of the alleged invention.

In the first opinion rendered by Judge Knight, on page 989 of the printed record, he included as one of "the essential mechanical elements", the following:—

> "the three secured together in fixed relation to each other by dowel bolts and cap screws."

Judge Knight undoubtedly made that statement because of the great stress petitioner had placed upon its "dowel bolts" as being an important feature of Pennington's alleged invention.

Judge Hand, in his dissenting opinion, pointed out that claims 27, 28 and 37 use "general language" at that point.

One has but to review the pages and pages of petitioner's testimony where its expert labored long and laboriously to stress an alleged importance in Pennington's "dowels", to see how much reliance petitioner placed upon these "dowels" as contributing patentability to these claims.

PRIOR ART.

Judge Hand also referred to the prior art patents to Taylor, No. 1,438,507 and to Sutton, No. 1,341,395, and said:—

> "Although in *each* the *defects* in mounting could have been readily amended, nevertheless under well settled law, neither as it stood was an anticipation, for each was *utterly unworkable;* it would have gone to pieces upon the first long drive." (Emphasis ours.) (Rec. 1244.)

There was a defect in the mounting which is shown in the Taylor patent (Rec. 825). That mounting defect, as Judge Hand said, "could have been readily amended."

But even the petitioner has never contended that the Sutton patent shows any defect in mounting. No such defect is either shown or suggested in that Sutton patent (Rec. 1182). The Sutton specification, lines 52 to 90 on page 1184 of the record, describes a strictly standard and proper mounting. Judge Hand's incorrect statement concerning the Sutton patent shows that he was not sufficiently familiar with what that patent discloses. There is no justification whatever for his statement that "it would have gone to pieces on the first long drive."

PENNINGTON'S CONTRIBUTION IS NOT "REVOLUTIONARY".

Judge Hand's dissenting opinion then erroneously treated "the Pennington contribution" as being "revolutionary."

The record conclusively establishes the fact that no Pennington shock absorber was ever sold by Pennington (Finding of Fact No. 19, Rec. 1221) or by anyone else. Pennington himself admitted that none of his shock absorbers had ever been "manufactured in production" and that only "exemplary productions" had been made. (Rec. 70.)

There is no evidence to support Judge Hand's expressed belief that the Pennington shock absorbers had superseded all others. Petitioner states in its petition, page 6, that respondent "stopped such construction when sued by petitioner, at the end of 1938."

Therefore, according to petitioner's own contentions, even respondent's own accused shock absorbers had not "superseded all others," as stated by Judge Hand. Respondent's 1939 models, and models which came out subsequent thereto are not charged to be infringing. Pennington's shock absorber never "superseded" anything because it has never been used by anyone commercially. But even petitioner's statement that respondent stopped production in 1938 is not entirely correct. Respondent still makes the same shock absorbers for replacements. It did change its current models thereafter to an improved form.

By arriving at the erroneous conclusion that respondent's shock absorbers infringed, and by erroneously considering respondent's sales of its own shock absorbers to be sales of Pennington shock absorbers, Judge Hand erroneously gave Pennington credit for respondent's sales.

RESPONDENT'S SHOCK ABSORBERS WERE NOT FAILURES.

Before leaving this dissenting opinion of Judge Hand, upon which petitioner so strongly relies, we wish to point out one other mistake of fact which Judge Hand expressed upon page 1245 of the record. He there stated, referring to respondent:—

> "Again and again it tried in one way after another to fix separate abutments into the chamber; and again and again it failed."

The record, on page 361, establishes the fact that before respondent made any of the accused shock absorbers, it had sold 24,000,000 of the kind which Judge Hand char-

acterizes as "failures". Those 24,000,000 shock absorbers all had the separate abutments fastened in one way or another. Judge Hand characterizes all of them as "fumblings". But they had become standard equipment on many types of cars, including Fords.

Regardless of what Judge Hand may say about those 24,000,000 shock absorbers, nobody could sell to the large automobile manufacturers that many "failures" for standard equipment on their cars. The automobile companies just do not do business that way.

The real fact is that all of those 24,000,000 shock absorbers were highly successful, and were famous, not only in this country, but throughout the world as outstandingly good, efficient shock absorbers.

In order to try to make its unused shock absorbers appear better than they really are, petitioner has conjured up a lot of fantastic *theories* of alleged "failures" by respondent, absolutely none of which *theories* harmonize with the record facts.

Judges Chase and Frank were not confused by petitioner's fallacious theories, and they were not misled by petitioner's erroneous arguments. Judge Knight was confused by petitioner when he wrote his first opinion which appears at page 984 of the printed record. That confusion was removed during the rehearing which he granted, so that, when he wrote his Opinion on Rehearing (Rec. 1187), he had and expressed, a full and clear understanding of the case.

The opinion of the Circuit Court of Appeals, written by Judge Chase (Rec. 1234), shows that the Court gave careful consideration to the case and fully understood it. Every statement of fact which appears in that majority opinion is fully supported by the record in this case, and the conclusions reached are sound.

PETITIONER'S PRINCIPAL CONTENTION.

On page 3 of its petition, the petitioner states that its reasons for the grant of the writ of certiorari "rest in essential part" upon the fact that the Circuit Court of Appeals "set aside an important finding of fact." The Finding of Fact to which petitioner refers is No. 18 which appears upon page 1220-1 of the printed record.

If that finding of fact means what petitioner contends that it means, it should have been set aside and disregarded by the Circuit Court of Appeals.

Judge Knight filed his Opinion on Rehearing on December 8, 1941 (Rec. 1201). On December 16, 1941 he filed his Findings of Fact and Conclusions of Law which begin on page 1201 of the printed record.

On January 7, 1942 petitioner filed its Motion for Enlargement of Findings of Fact and Conclusions of Law (Rec. 1207). On January 21, 1942, Judge Knight filed some Additional Findings of Fact (Rec. 1219), of which Finding No. 18, mentioned above, is a part. This finding was one of those suggested by petitioner.

In the memorandum (Rec. 1215) which accompanied petitioner's Motion for Enlargement of Findings of Fact and Conclusions of Law, petitioner stated:—

> "It is noted first, that plaintiff's attorneys have been careful in drafting the accompanying findings and conclusions to avoid any statement in conflict with the rulings in the Court's opinion filed December 16, 1941."

Whether respondent's accused structures are mere duplications of single vane constructions, or whether petitioner's claims must be limited to the single vane, eccentric type of construction, are conclusions based upon the Pennington patent itself, upon the prior art, and upon the other facts shown in the record. The petition challenges only

findings of fact. Petitioner is merely asking a review of the facts in the hope that this Court might reach a different conclusion based upon those facts.

The Circuit Court of Appeals, having all of those facts before it, was fully as capable of analyzing those facts and reaching its conclusions as was Judge Knight. The Circuit Court of Appeals was not bound by the conclusions reached by Judge Knight on those questions.

The Circuit Court of Appeals reached the same ultimate conclusion that Judge Knight reached,—that there is no infringement,—and affirmed the decree entered by Judge Knight.

Petitioner is taking the position now that Additional Finding of Fact No. 18 forces a finding of infringement, although, in the Memorandum accompanying its suggestion of that finding (Rec. 1215), it represented to Judge Knight that the suggested finding is not "in conflict with the rulings in the Court's opinion." One of the "rulings" in that opinion is the Court's finding of non-infringement.

CONCURRENT DECISIONS BASED ALSO ON OTHER GROUNDS.

Both Judge Knight and the Circuit Court of Appeals found that respondent did not embody in the accused shock absorbers anything that was not fully justified by the prior art. (See Original Finding of Fact No. 10, Rec. 1204-5, and see Opinion of Circuit Court of Appeals, Rec. pp. 1242, 1243 and 1244.)

Regardless of what interpretation might be given to Additional Finding of Fact No. 18, and regardless of whether the conclusions there reached are right or wrong, the decision of Judge Knight and the decision of the Circuit Court of Appeals were *also* based upon the findings of *both* courts that respondent's shock absorbers made use

only of things from the prior art that it had a right to use, regardless of Pennington.

We are sure that this Court would not be interested in reviewing concurrent decisions of non-infringement, based upon more than one ground, where only one of those grounds is being seriously attacked. This is particularly true where petitioner is *merely seeking a review of the evidence and the inferences drawn from it.* In *General Talking Pictures Corp.* v. *Western Electric Co.*, 304 U. S. 175, this Court said, on page 178:

> "Granting of the writ would not be warranted merely to review the evidence or inferences drawn from it. *Southern Power Co.* v. *N. C. Public Service Co.*, 263 U. S. 508. *United States* v. *Johnston*, 268 U. S. 220, 227. Moreover, the decision on that point rests on concurrent findings. They are not to be disturbed unless plainly without support. *United States* v. *Chemical Foundation*, 272 U. S. 1, 14. *United States* v. *McGowan*, 290 U. S. 592. *Alabama Power Co.* v. *Ickes*, 302 U. S. 464."

On page 1199 of the record, Judge Knight correctly stated:

> "The prior art leaves nothing of patentable novelty which could have been derived by the defendant from the plaintiff."

While the Circuit Court of Appeals did not say it in exactly those same words, it did, on pages 1241, 1242, 1243 and 1244 of the record, point out, with respect to each contention made by the petitioner, that respondent did only what was fully justified by the prior art, regardless of Pennington.

If Pennington's claims cover that, they are invalid. If Pennington's claims are properly limited to what Pennington actually did, they are not infringed. That was the opinion of both Judge Knight and of the majority of the judges of the Circuit Court of Appeals.

PENNINGTON PATENT IS NOT A BASIC PATENT.

Judge Knight said (Rec. 1200):

> "The Pennington patent is not a basic patent."

The Circuit Court of Appeals said (Rec.1244):—

> "Those claims are not cover-all blankets but are to be read in the light of the specifications and the prior art."

It would unduly lengthen this reply if we were to take each of the errors in petitioner's petition and its accompanying memorandum and specifically discuss each of them. They all relate to the facts and the inferences drawn therefrom. We have discussed several of them in the foregoing general discussion.

DOWELS.

On page 8 the petitioner charges that both the District Court and the majority of the Circuit Court of Appeals read limitations (the "dowels") into the claims. Throughout this entire case petitioner has continuously stressed Pennington's "dowels" as being an important part of Pennington's alleged inventive concept. Petitioner pointed out those "dowels" as being the "means for securing the three said casing parts together." When the Sutton patent No. 1,341,395 (Rec. 1181) forced petitioner away from its "integral abutment" theory, petitioner stressed, with even greater vehemence, its "dowels" as lending patentability to its claims.

Petitioner is now criticizing Judge Knight and Judges Chase and Frank for *allegedly* reading "dowels" into the claims. Petitioner tries to make a "mountain" out of its "dowels" on the question of invention, but does not want those very same "dowels" considered on the question of infringement.

In Pennington's complicated problem of assembly and alignment, present in Pennington's shock absorbers but completely absent in respondent's accused shock absorbers, Pennington's "dowels" assisted him in working out a solution of his particular problem.

During the progress of this case, petitioner first insisted that the pins used by respondent (shown in white in Figures numbered 2 on pages 802, 803 and 804 of the printed record) which pass through the abutments and into the casing, responded to petitioner's dowels. Petitioner prepared and introduced into evidence elaborate colored claim charts, Plaintiff's Exhibits 16, 17 and 18, upon which petitioner makes the foregoing contentions. Petitioner's expert, Mr. Fishleigh, testified about these charts beginning on page 225 of the printed record. We call particular attention to his testimony on page 228, where, under his discussion of "Element No. 8," he took the position that these "pins 5 and clamping ring 4," are the same as Pennington's "dowels" and respond to Pennington's means clauses in his claims.

Petitioner was forced to abandon that contention and now argues, at the top of page 27 of its petition, that the fancifully named "dowel surface" on the respondent's inserted ring and the cup in which it is pressed respond to Pennington's "dowels."

On page 26 of its petition, petitioner states:—

> "Thus the novel double function of the Pennington securing means is performed in petitioner's and respondent's absorbers by similar parts that operate in substantially the same manner. That is, in both cases screw threaded means engaging the rear and front casing parts draw those two parts together and clamp the intermediate part between them, and dowel surfaces accurately preformed and located on each of the three

> casing parts serve, when the parts are assembled, to axially align those parts and hold them against relative displacement laterally of the axis."

To understand just what petitioner is talking about would take up a considerable amount of space in this memorandum. The Circuit Court of Appeals accurately analyzed this part of respondent's shock absorbers beginning in the last line at the bottom of page 1242 of the printed record.

The ring to which the Circuit Court of Appeals there referred, is shown on page 986 of the record as the second part from the left in the bottom row. The cup, into which that ring is pressed under tons of pressure (Rec. 364) is shown at the extreme left in the bottom row on said page 986. A side view of that cup can be seen on pages 802, 803 and 804 of the printed record.

No wonder that petitioner now wants to get its once important "dowels" lost in the shuffle. It made full use of them as a basis for claiming invention. It first tried to find them in respondent's shock absorbers in the pins used by respondent, but it has realized the futility of that contention. Petitioner now tries to find a "dowel surface" on respondent's ring member. By that expression, "dowel surface", petitioner can mean only a *tight fit*,—something that is so old in the mechanical arts that "the memory of man runneth not to the contrary."

Petitioner now tries, for the first time, to argue infringement of Pennington's *article* claims because respondent, in making its ring member, makes it large enough that it will fit tightly into respondent's cup. Petitioner has finally been forced to reduce its contentions to a point where their absurdity is clearly apparent.

PETITIONER'S THIRD REASON.

The amended complaint in this case charges (Rec. 15) that when Pennington met representatives of respondent in Cleveland, they secured from petitioner

> "a very full and detailed disclosure of said improvements described and claimed in the said letters patent No. 2,009,677."

The evidence does not show that anything else, then unknown to respondent's representatives, was disclosed to them by petitioner. Petitioner tried to build up a picture which might make it appear that respondent's representatives were absurdly ignorant with respect to the most elementary mechanical and manufacturing questions, and that Mr. Pennington taught them these rudimentary matters. Of course, that is definitely not true.

We could, if it were at all necessary, point out where the record in this case shows that the art of broaching was very old; that the respondent had broaching machines in its plant before it ever heard of Mr. Pennington, and that respondent's expert, Mr. A. P. Brush, worked on a broaching machine in 1900 (Rec. 628).

We could also point out that "dowels", "dowel surfaces", tight fits, and all of the other things which petitioner talks about were extremely old.

Furthermore, Pennington had disclosed these same things, including the disclosure now contained in his patent, to 16 or 17 other concerns (Rec. 58), and really had nothing that was *secret* when he talked with respondent's representatives.

When the patent issued, those things were no longer secret, even if Pennington had kept them secret, which he did not, up to that time.

Since the things which he did disclose to respondent were only the things disclosed in his patent, and since respondent does not infringe any of the claims of Pennington's patent, it is obvious that petitioner is not entitled, under petitioner's "Third Reason", to a greater monopoly than the Patent Office would give him.

On page 28 of the petition, petitioner asserts that Pennington's alleged "confidential disclosure" included his methods of manufacture with respect to "broaching" and his "assembly plug". Both of those are disclosed in his patent. Pennington was not able to secure any *method* claims in his patent, but, regardless of his inability to get method claims, he now asserts a right to a monopoly far greater than method claims, if obtainable, would have given him.

Pennington's "assembly plug" was, as petitioner states on page 28, "highly important" in the building of Pennington's single vane, eccentric shock absorber. It would be absolutely useless in building respondent's shock absorbers, and it has never been used by respondent in any form. Respondent has never used anything which bears even a slight resemblance to Pennington's "assembly plug".

Respondent controls its alignment in just exactly the same way that it took care of its alignment in the 24,000,000 shock absorbers which it sold before it ever heard of Pennington,—by making its shock absorbers *concentric*. When concentric parts are fitted together, there is no problem of axial alignment and there never has been any such problem.

Pennington's problem was that of controlling alignment in an eccentric shock absorber. That is a real problem, and that is the *only* problem that Pennington disclosed or even worked upon, as pointed out by the Circuit Court of Appeals in its opinion.

Petitioner has gone so far as to argue that an "arbor", used by respondent on one of its machines that makes its rings, is the equivalent of Pennington's "assembly plug". These "arbors" have been in use by manufacturers for many more years than Pennington has lived. Furthermore, respondent's "arbors" are not related in any way to Pennington's "assembly plug".

An "arbor" is merely something which holds a piece of work on a machine in a definite, fixed position while some cutting or grinding operation is being done upon that piece. If the holding device grips the piece by gripping the outside of the piece, it is called a "chuck". If the piece to be worked upon is hollow, and the holding device enters the hollow part and grips the piece on the inside, so that work can be done upon the outside of the piece, it is called an "arbor". Both "chucks" and "arbors" have been used on lathes for a great many years. Neither of them bear any relationship to an "assembly plug" in structure, in operation, or in the results obtained.

NO BASIS FOR CERTIORARI.

This case is merely an ordinary patent infringement case and it presents no unusual questions. There is nothing exceptional about this case.

Layne & Bowler Corporation v. *Western Well Works*, 261 U. S. 387.

Petitioner has a very limited patent which is applicable to only one specific type of shock absorber. That one specific type of shock absorber is the only one which even presents the problem which Pennington sought to solve. But even after Pennington had made his solution of that one specific problem,—alignment in that specific type of shock absorber,—he disclosed it to fifteen or more of the

large manufacturers of automotive equipment, and none of them had any desire to even try to market Pennington's eccentric shock absorber.

Those eccentric type shock absorbers have so many other disadvantages that, while Pennington may have improved the alignment in them, there were still so many other things wrong with them that no one wanted to make them.

Pennington merely made the mistake of devoting his efforts to the improvement of something which no one was willing to build, even after Pennington had improved upon one of its many disadvantages.

After peddling his idea to substantially all of the automotive parts manufacturers, and after failing to get a response from any of them, Pennington,—unwilling to accept the verdict of the industry,—conceived the idea of trying to stretch his claims and to try to make them read upon the shock absorbers being sold by the largest manufacturer of shock absorbers in the world,—the respondent.

When Pennington filed his patent application, he had big visions of how the eccentric type shock absorber was superior to all others. In his patent on page 8 (Rec. p. 764) column 1, lines 59 to 72, Pennington stated:

> "That is to say, the single vane form of construction is peculiarly adapted to furnish the very great resistance capacity necessary for such service since with it the necessary capacity can be secured with a casing structure smaller, more compact, lighter in weight and less costly than is possible where a multiple vane construction is used, because the capacity of a vane type piston varies as the square of its means effective radius and my studies have shown that because of this principle a distinctly higher degree of compactness can be obtained for high capacity shock absorbers by the use of a single vane piston."

Respondent has never made a single vane, eccentric type of shock absorber, and has no desire to ever make any. Its shock absorbers have always been concentric, double vane shock absorbers which present no alignment problems, and which do not possess the other disadvantages of the single vane eccentric type.

Pennington, in an effort to cover exactly what he discarded when he filed his application, now tries to claim credit for what he discarded. He tries to do that by a wholly unwarranted stretching of his claims. He wholly disregards what he really did; paints an elaborate picture of old and well known mechanical processes and expedients, and tries to monopolize the use of them in a field which is wholly foreign to the limited field in which he worked and in which alone he found his problem.

Just exactly what petitioner is trying to do in this very case is one of the abuses of our patent system. Large manufacturers are frequently forced to spend large sums of money defending themselves against exaggerated and wholly unwarranted claims of inventors who find that what they invented is worthless, and who then try, by stretching and distorting their patents, to collect tribute to which they have no moral or legal right.

That practice of some inventors is not new. This Court condemned it many years ago in *White* v. *Dunbar*, 119 U. S. 47, where this Court pointed out that a claim in a patent is *not* "like a nose of wax which may be turned and twisted in any direction."

Petitioner's whole case is founded upon its objection to having its claims appraised at what they really are. Both the District Court and the Circuit Court of Appeals considered the evidence and correctly interpreted it. Petitioner is merely asking this Court to do the same thing over

again,—to consider the evidence and interpret it,—and petitioner has failed to show any reasonable basis for making such a request.

CONCLUSION.

We submit that the petition sets forth no basis for the issuance of the writ which it prays. No question of public importance is presented. The decisions below are in complete harmony with the decisions of this Court.

We submit that the petition should be denied.

CHARLES W. HILLS,
ALEXANDER C. MABEE,
Attorneys for Respondent.